Education Cabinet

Kentucky's unemployment rate drops in April

Press Release Date: Wednesday, May 23, 2007

Contact Information: Kim Saylor Brannock

(502) 564-6606

KimS.Brannock@ky.gov

Kentucky's seasonally adjusted unemployment rate fell from 5.4 percent in March 2007 to 5.3 percent in April 2007, its lowest point since December 2004, according to the Office of Employment and Training, an agency of the Kentucky Education Cabinet. April 2007's jobless rate also was below April 2006's rate of 5.8 percent.

The U.S. seasonally adjusted jobless rate increased from 4.4 percent in March 2007 to 4.5 percent in April 2007, according to the U.S. Department of Labor.

"Kentucky's April 2007 unemployment rate of 5.3 percent was the lowest rate we have had since December 2004 when it also was 5.3 percent. Kentucky was one of 13 states that had a lower unemployment rate in April 2007 than in March 2007," said Carlos Cracraft, the department's chief labor market analyst.

"Also, our April 2007 unemployment rate was well below last April's 5.8 percent jobless rate. Altogether, 30 states recorded a lower unemployment rate in April 2007 than in April 2006," said Cracraft.

Two of the 11 major nonfarm job North American Industry Classification System (NAICS) sectors reported employment increases in April, while eight decreased, and one was unchanged, according to Cracraft. A decrease of 5,100 jobs in April 2007 brought Kentucky's nonfarm employment to a seasonally adjusted total of 1,856,100 last month.

According to the seasonally adjusted employment data, Kentucky's manufacturing sector rebounded in April 2007 with 1,500 new jobs

compared to March 2007. Compared to April 2006, jobs in the sector were down by 2,800 in April 2007.

The state's construction sector had an increase of 200 jobs in April 2007. Since April 2006, employment in this job area has gone up by 800 jobs.

The information sector recorded the same number of jobs in March 2007 and April 2007. This segment, which includes firms involved in publishing, Internet activities and broadcasting and news syndication, had 600 more jobs in April 2007 than in April last year.

On the down side, the educational and health services sector fell by 2,000 jobs in April 2007. Since last April, this segment has gained 2,500 jobs. This sector includes private and nonprofit establishments that provide either education and training, or health care and social assistance to their clients.

"The April employment loss in the educational and health services sector can be primarily attributed to a labor dispute that occurred in the eastern part of the state," said Cracraft.

The government sector, which includes public education, had a decrease of 1,400 jobs in April 2007. Since April 2006, this sector has added 2,500 jobs.

Kentucky's leisure and hospitality sector had 1,100 fewer jobs in April 2007. Since April 2006, employment in the sector has increased by 3,200 positions. The leisure and hospitality sector includes arts, entertainment, recreation, accommodations and food services and drinking places industries.

The trade, transportation and utilities sector recorded a 900-job decline in April 2007. This area includes retail and wholesale trade, transportation and utilities businesses, and warehousing, and is the largest sector in Kentucky with 380,200 employees. Since April 2006, the number of jobs in this sector has risen by 500.

Employment in the professional and business services sector fell by 600 in April 2007. This area had 3,500 more employees in April 2007 than in April 2006. The professional and business services

sector includes professional, scientific and technical services, and management of companies and administrative and support management, including temporary help agencies.

The other services sector, which includes such establishments as repair and maintenance places, personal and laundry services, religious organizations, and civic and professional organizations, lost 600 positions in April 2007. This area had 500 more jobs in April 2007 than last April.

The natural resources and mining sector had 100 fewer jobs in April 2007 compared to March 2007. Since April 2006, the segment has risen by 600 jobs.

The financial activities sector had a decrease of 100 jobs in April 2007. This segment, which includes businesses involved in finance, insurance, real estate and property leasing or rental, has added 1,500 jobs over the past 12 months.

The U.S. Bureau of Labor Statistics' monthly estimate of the number of employed Kentuckians for April 2007 was 1,957,326 on a seasonally adjusted basis. This figure is down 3,907 from the 1,961,233 employed in March 2007, but up 42,579 from the 1,914,747 employed in April 2006.

The monthly estimate of the number of unemployed Kentuckians for April 2007 was 109,758, down 1,909 from the 111,667 Kentuckians unemployed in March 2007, and down 7,988 from the 117,746 unemployed in April 2006.

The monthly estimate of the number of Kentuckians in the civilian labor force for April 2007 was 2,067,084. This figure is down 5,816 from the 2,072,900 recorded in March 2007, but up 34,591 from the 2,032,493 recorded for April 2006.

Unemployment statistics are based on estimates and are compiled to measure trends rather than actually to count people working. Civilian labor force statistics include non-military workers and unemployed Kentuckians who are actively seeking work. They do not include unemployed Kentuckians who have not looked for employment within the past four weeks.

Kentucky's statewide unemployment rate and employment levels are seasonally adjusted. Employment statistics undergo sharp fluctuations due to seasonal events, such as weather changes, harvests, holidays and school openings and closings. Seasonal adjustments eliminate these influences and make it easier to observe statistical trends. However, because of the small sample size, county unemployment rates are not seasonally adjusted.

Learn more about the Office of Employment and Training at www.workforce.ky.gov.

(30)